



POSTED: 06:31 PM PST Jan 08, 2014 UPDATED: 06:32 PM PST Jan 08, 2014

Desert Hot Springs expects to dodge bankruptcy

DESERT HOT SPRINGS, Calif. -

The city of Desert Hot Springs is making strides to climb out of its multimillion dollar budget hole. We first told you about the city's financial emergency in November.

Mayor Pro Tem Russell Betts said Wednesday that newly projected numbers show the city will likely avoid bankruptcy.

"We're on target to get to make it through June," said Betts.

To help put its fiscal house in order and close a more than \$3 million budget gap, Desert Hot Springs has had to drain the city's savings.

The council also voted to cut costs, trimming dollars anywhere and everywhere possible. It halted employee travel expenses, eliminated cash payouts for unused holidays and cut employee and police salaries 22 percent.

Police Chief Kate Singer and Cmdr. Ken Peary retired, saving the city two of its highest salaries.

"It's been a difficult road to get to this point, but it looks like we have avoided bankruptcy."

Revised numbers project the city will spend more than \$16 million and bring in \$14.1 million in revenue this year.

The city will have at least a \$2 million problem going into next fiscal year, meaning another \$2 million in cuts.

Betts would not comment on what cuts will be made next, but as the city gets down to the bottom of the barrel, he remains hopeful.

"We've got a great community and we have a lot people chipping in to volunteer to take over things that might otherwise cost the city money," said Betts. "We'll get through it."